

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, September 13, 2006, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members Karen Dunavant, George Harding, William Long, John McClarty, Lee Anne Murray and Marian Ott.

On motion by Harding, seconded by Ott, the board voted to approve the August 9, 2006 board minutes. The motion passed the board unanimously.

## ***Reconsideration***

**06-26 Larry Miller**, for failure to report a campaign contribution. Class two (2), maximum ten thousand (\$10,000) civil penalty. Rep. Miller has had no previous matters before the board.

The board voted at its August 9, 2006 meeting to assess Rep. Miller a \$250 civil penalty. Rep. Miller requested a reconsideration of the assessment.

Rep. Miller personally appeared before the board and explained that an oversight and the lack of proficiency in the use of the electronic filing system caused the contribution in question to be mistakenly omitted from the disclosure report. Rep. Miller further explained that as soon as he became aware of the error he amended his report. Rep. Miller noted that he has always filed the required reports accurately and consistently over the years.

A motion was made by Harding, seconded by Long, to reconsider the \$250 civil penalty assessment against Rep. Miller. The motion to reconsider passed the board 5 to 1, with Dunavant voting "no." A motion was made by Long, seconded by Harding, to assess Rep. Miller a \$50 civil penalty. The motion to assess Rep. Miller a \$50 civil penalty passed the board 4 to 2, with Dunavant and Ott voting "no."

## ***Show Cause Hearing***

**06-24 Ulysses Jones**, for failure to report campaign contributions. Class two (2), maximum ten thousand (\$10,000) civil penalty. Rep. Jones has had no previous matters before the board.

The board voted at its August 9, 2006 meeting to send Rep. Jones the show cause notice by regular mail and to defer any action in this matter until the next regularly scheduled meeting.

Rep. Jones personally appeared before the board and explained that the two contributions in question were not listed on his disclosure report because a liquid was accidentally spilled on the copy of the checks and therefore his treasurer was unable to read the copy of the checks. Rep. Jones further explained that he contacted the bank immediately to obtain a copy of the deposits but went ahead and filed his disclosure report with the Registry so that the report would not be late. Rep. Jones stated that the

failure to disclose the campaign contributions was not intentional, that he was in the process of correcting the report and that the report was amended as soon as was possible.

On motion by McClarty, seconded by Long, the board voted unanimously to take no further action in this matter.

### ***Cases Subject to Approval for Civil Penalty***

**06-21 Samuel Harris**, for failure to file a 2006 Statement of Interests. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Harris has had no previous matters before the board.

The board voted at its August 9, 2006 meeting to send the show cause notice by regular mail and to defer any action in this matter until the next regularly scheduled meeting.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

A motion was made by Long, seconded by Ott, to assess Mr. Harris a \$10,000 civil penalty. The motion to assess Mr. Harris a \$10,000 civil penalty passed the board 5 to 0, with McClarty "abstaining."

**06-23 Kathryn Bowers**, for failure to report a campaign contribution. Class two (2), maximum ten thousand (\$10,000) civil penalty. Sen. Bowers has had previous matters before the board.

The board voted at its August 9, 2006 meeting to send the show cause notice by regular mail and to defer any action in this matter until the next regularly scheduled meeting.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been amended.

On motion by Long, seconded by Ott, the board voted unanimously to assess Sen. Bowers a \$10,000 civil penalty.

**06-27 Gary Rowe**, for failure to report a campaign contribution. Class two (2), maximum ten thousand (\$10,000) civil penalty. Rep. Rowe has had a previous matter before the board.

The board voted at its August 9, 2006 meeting to defer any action in this matter until the next regularly scheduled meeting to allow Rep. Rowe an opportunity to respond to the show cause notice.

Rep. Rowe provided a statement for the board's consideration. In this statement, Rep. Rowe explained that an amendment to his report has been completed and that his treasurer will be receiving monthly statements directly from the bank to avoid any oversights from occurring in the future.

Director Rawlins informed the board that the Registry has not received an amended report from Rep. Rowe.

A motion was made by Long, seconded by Ott, to assess Rep. Rowe a \$5,000 civil penalty. A friendly amendment was made by McClarty, accepted by Long and Ott, to assess Rep. Rowe a \$1,000 civil penalty. The motion to assess Rep. Rowe a \$1,000 civil penalty passed the board unanimously.

**06-31 Tennessee Professional Firefighters**, for failure to correctly report campaign expenditures. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its August 9, 2006 meeting to defer any action in this matter until the next regularly scheduled meeting to allow Director Rawlins an opportunity to contact the organization and request further information on this matter.

Dennis Carroll, representative for the organization, provided a statement via e-mail explaining that the checks in question were dated before the reporting period because he was leaving for vacation. Mr. Carroll further explained that the checks were supposed to be dated January 1, 2006 but that none of the checks were given out before January 1 and before the cut-off at the beginning of session.

On motion by Long, seconded by Harding, the board voted unanimously to take no further action in this matter.

### ***Cases Considered for Issuance of Show Cause Notice***

**Wayne Bailey**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Bailey has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**George Banks**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), six days late, maximum one hundred fifty (\$150) civil penalty. Mr. Banks has had no previous matters before the board.

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

**Jennings Bernard**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), five days late, maximum one hundred twenty-five (\$125) civil penalty. Mr. Bernard has had previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Wayne Brandon**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), four days late, maximum one hundred (\$100) civil penalty. Mr. Brandon has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Manuel Fonseca**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Mr. Fonseca has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Harris Jones**, for failure to timely file 2006 mid-year supplemental campaign financial disclosure report. Class one (1), 13 days late, maximum three hundred twenty-five (\$325) civil penalty. Mr. Jones has had a previous matter before the board.

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

**Champ Langford**, for failure to timely file 2006 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), four days late, maximum one hundred (\$100) civil penalty. Mr. Langford has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Edwin Sanders, II**, for failure to timely file 2006 mid-year supplemental campaign financial disclosure report. Class one (1), five days late, maximum one hundred twenty-five (\$125) civil penalty. Mr. Sanders has had previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Michael Saine**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), 14 days late, maximum three hundred fifty (\$350) civil penalty. Mr. Saine has had no previous matters before the board.

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

**Jeffery Shields**, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Shields has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Joe Towns, Jr.**, for failure to timely file 2006 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), 25 days late, maximum six hundred twenty-five (\$625) civil penalty. Rep. Towns has had previous matters before the board.

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

**Robert Wedemeyer**, for failure to timely file 2006 pre-general campaign financial disclosure report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Mr. Wedemeyer has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**Comcast Corp. PAC**, for failure to timely file 2006 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), three days late, maximum seventy-five (\$75) civil penalty. The organization has had a previous matter before the board. (See below)

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

***Comcast Corp. PAC***, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), nine days late, maximum two hundred twenty-five (\$225) civil penalty. The organization has had a previous matter before the board. (See above)

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

***Friends of Bill Morris PAC***, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. The organization has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

***Lincoln County PAC***, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. The organization has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

***Take Back Tennessee***, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), 16 days late, maximum four hundred (\$400) civil penalty. The organization has had previous matters before the board.

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

***Tennessee Mortgage Bankers PAC***, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. The organization has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

***Williamson County Republican Party***, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. The organization has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

***Tommy Burnett***, for failure to timely file 2006 mid-year lobbying activities report. Class one (1), six days late, maximum one hundred fifty (\$150) civil penalty. Mr. Burnett has had no previous matters before the board.

On motion by Dunavant, seconded by Ott, the board voted unanimously to issue a show cause notice.

**Clyde Sanders**, for failure to timely file 2006 mid-year lobbying activities report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Mr. Sanders has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

**John Whitnell**, for failure to timely file 2006 mid-year lobbying activities report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Whitnell has had no previous matters before the board.

On motion by Long, seconded by McClarty, the board voted unanimously to take no action in this matter.

### ***Sworn Complaint against Randy Rinks***

A sworn complaint was filed by Ted Cook against Rep. Randy Rinks concerning his reporting of campaign expenditures and the amount of some of his campaign expenditures on campaign financial disclosure reports covering the years 2003 through 2005.

Mr. Cook personally appeared before the board and explained that a citizen or voter can not make a determination of Rep. Rink's expenditures because the purposes given are very vague including an expenditure to a credit card company listing a credit card as a payee. Mr. Cook further explained his concern that the reports in question were not returned to Rep. Rink's by the Registry for correction because the descriptions given for some of his expenditures were so vague.

Director Rawlins informed the board that the campaign financial disclosure statements referenced in the complaint refer to reports that have been on file for over 180 days. Therefore, the reports are deemed to be sufficient, absent a showing of fraud. Director Rawlins noted that the statute did not prohibit a candidate from listing a credit card as a payee at the time the reports in question were filed.

On motion by McClarty, seconded by Long, the board voted unanimously to dismiss and take no action in this matter.

### ***Reported Financial Expenses***

Director Rawlins provided the board members with a list of civil penalties that have been paid year to date.

Director Rawlins presented the expenditure reports for the 2005/2006 fiscal year through July 31, 2006.

### ***Executive Director's Report***

Director Rawlins informed the board that the Registry had received a request for an opinion on whether a vehicle for campaign use could be purchased from campaign funds. Director Rawlins provided the board with a summary of the applicable statutes and information.

After discussion, the board recommended that Director Rawlins draft a letter to that explains the regulatory scheme of a vehicle purchased with campaign funds. The board further recommended that this letter include the issues that will apply when a vehicle is bought for campaign use with campaign funds.

Director Rawlins informed the board that pursuant to the State of Tennessee Audit Committee Act of 2005 the Registry was required to create an audit committee. On motion by Ott, seconded Long, the Registry's Audit Committee Charter was approved unanimously.

### ***Other Business***

Director Rawlins explained to the board that Lee Anne Murray, chairperson, after discussion with Director Rawlins, made the decision to not place consideration of the sworn complaint filed by William James Boyd against Rep. Mary Pruitt on the September meeting agenda. After discussion, the board made the decision to place the matter on the October meeting agenda. Director Rawlins provided the board with some additional information from Mr. Boyd regarding the complaint against Rep. Pruitt.

Director Rawlins requested that the Tennessee Professional Firefighters PAC be placed on the agenda for the October meeting because there seems to be further discrepancies with some of their contributions to candidates.

Director Rawlins provided the board with information on the annual COGEL conference scheduled for December 3 through 6 in New Orleans, Louisiana.

Long, seconded by Ott made a motion, to adjourn the meeting until the next regularly scheduled meeting. The motion passed unanimously.